

DO THE RIGHT THING

OUR ACTIONS REFLECT ON US ALL...

THE SERVICEMASTER COMPANY CODE OF ETHICS AND BUSINESS CONDUCT

Servicemaster®

A MESSAGE TO ALL SERVICEMASTER ASSOCIATES,

How does a leading company like ServiceMaster provide the guidance to help our associates make the right decisions? What serves as our foundation for maintaining high standards?

Our commitment to ethical behavior has its foundation in our Corporate Objectives, which provides us with the context for basic, regular decisions. Our Code of Ethics and Business Conduct helps support the foundation of our culture which is "To Honor God in All We Do", by serving as a guide to doing the right thing and treating every person with dignity and respect. Together, they define who we are and how we should behave with one another, our customers and our shareholders as we seek to do what is right and avoid what is wrong in our daily business practices. This approach to running our organization is just as important as the service we provide to our home and business owners.

The laws and regulations affecting our business can be complex, the day-to-day competitive pressures can be fierce, and governmental enforcement activities can be strong. It is more important than ever for us to understand what is expected in the workplace. We have developed the Corporate Compliance and Ethics Program and the ServiceMaster Code of Ethics and Business Conduct to help associates with this. I encourage you

to read this booklet and become familiar with the principles and responsibilities identified in it.

No code of conduct can cover every possible situation. If there is ever any doubt or uncertainty about the right course of action, please ask your supervisor or manager. If the circumstances make it uncomfortable for you to use the established chain of command or support structure, or if you continue to have concerns about receiving a response, you should not hesitate to contact the Compliance Helpline at 1-800-937-9888.

We must continue to maintain these high standards every day, without question, for the good of ourselves and the customers and communities we serve.



J. PATRICK SPAINHOUR
Chairman and Chief Executive Officer

INTRODUCTION

Code of Ethics and Business Conduct

Our *Code of Ethics and Business Conduct* is a guide to the ethical and legal responsibilities we share as members of the ServiceMaster family. This is not a complete document that addresses every ethical issue that may arise. It is not a summary of all laws and policies that apply to ServiceMaster's business. It is not a contract, and it does not replace good personal judgment. Rather, the *Code of Ethics and Business Conduct* provides guidance to help us make the right decisions throughout our work life at ServiceMaster.

Leadership Commitment

ServiceMaster's leadership team is committed to living up to high standards of ethical behavior. ServiceMaster's Board of Directors oversees the company's compliance with ethical and legal standards. To help our employees live up to our *Code of Ethics and Business Conduct*, ServiceMaster has devoted resources responsible for overseeing the implementation of, and compliance with, ServiceMaster's standards and policies.

Employee Participation

No booklet, web site, committee or policy can guarantee sound, ethical behavior. Only each ServiceMaster employee can. Our reputation is built on providing excellent service to our customers and treating one another with dignity and respect. Each day, we all work hard to protect the brand significance of our company name and all that it stands for. Every single employee's participation is necessary to do the right thing for ourselves, the company and the customers we service.

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OUR FOUR OBJECTIVES

ServiceMaster is a values-based company. The ServiceMaster philosophy is expressed in the four ServiceMaster Objectives. Each employee has a significant role to play in implementing our objectives, which serve as a foundation of who we are, how we develop and grow our business, create value, and provide opportunity. Each Objective is accompanied by several action statements. These action statements help our employees use the Objectives as a context for basic, regular decisions. Living the Objectives each day, rather than just stating them, is what will differentiate ServiceMaster in the eyes of our shareholders, employees and thousands of customers we service across the nation.

HONOR GOD IN ALL WE DO

Do the right thing.

Each of us knows the difference between right and wrong. Through the choices we make every day on the job, we show a heart-felt concern for the needs and expectations of others. We do an honest day's work. We tell the truth. We obey the law. We don't cut corners, even if it puts us at a competitive disadvantage.

Treat each person with dignity and respect.

No one has to earn the right to be greeted warmly or to be listened to sincerely. We are each born with a basic dignity – and we affirm that fundamental goodness in ourselves by honoring it in others. We value and recognize the contribution that each person makes to the success of our team.

Respect each person's spirituality.

We have a deep respect for the many different ways people experience the divine in their lives. We show our respect by demonstrating our willingness to accept others' belief systems as basically sincere, without compromising our own beliefs.

Protect and maintain our world.

Our world is a marvelous creation. Through our work, we enhance that beauty, and make the world a more enjoyable place for all. We use our talents and technologies in a responsible way – so that future generations will have the opportunity to experience the world's beauty, too.

EXCEL WITH CUSTOMERS

Serve others as we would be served.

We make an effort to know our customers. We greet them by name whenever we can. We show that we care about them, by doing the job right – and by trying to anticipate their needs. We listen and respond to each customer as an individual.

Make it easy for the customer.

We help customers take pride, comfort and satisfaction in their homes and business properties. Thanks to the services we provide, customers know they have that much less to worry about. When they call on us, the job gets done – just the way they expect.

Stand behind our work.

We are experts at what we do. We have the tools and the training to deliver on the promises we make to customers. We start each job with the desire to do it right the first time. If we fall short, we work equally hard to make it right. We always look for ways to improve our performance.

HELP PEOPLE DEVELOP

Help people to do their best every day.

Because the work we do is important and valuable to our customers, we make sure that we are prepared to excel. We make safety a priority. We learn to use our tools and technologies as they were intended to be used. We listen to each other's suggestions about ways to improve.

Build proud, dynamic teams.

Whether we work here for a few months, or for our entire careers, we expect to grow...to become better people by the time we leave. We love to compete. We love to win. We count on each person to contribute to the success of the team. We don't let our teammates down.

Help people reach their goals.

No two people share the exact same goals. Therefore, we demonstrate our respect for each other by taking the time to learn each other's goals. We provide honest and constructive feedback on performance. We challenge and encourage each other. When we can, we take hurdles out of the way...while keeping in mind the need to treat everyone fairly and consistently.

TO GROW PROFITABLY

Act as good stewards of our investors' capital.

We are in a position of trust. Thousands of good people have put their hard-earned money in our hands, to earn a return on their investment. We keep our promises to those people, by treating their money as if it was our own. We spend and invest it wisely. We follow the spirit and the letter of the law in reporting on our financial performance. We do our jobs the best way we know how – and always with the intent to make ServiceMaster a better company, one with long-term staying power.

Constantly improve and innovate.

In part, excellence means never being stagnant. We are open to new ideas. We look for chances to use new technologies and processes. We recognize and respond to society's concerns. We lead, never follow.

Meet our commitments.

When we make a promise, we expect to keep it – whether it's an earnings projection, a business plan, a project roll-out, or an individual job order. Our promises provide a link of trust to our owners, to our customers and to each other. We honor and respect these people by doing everything in our power to come through for them.

EMPLOYEE RESPONSIBILITY

This *Code of Ethics and Business Conduct* applies to all employees, officers and directors of ServiceMaster and its affiliated companies. As a ServiceMaster employee, you are responsible for understanding the guidelines in this *Code of Ethics and Business Conduct* and how to apply them in your daily work environment.

Your responsibilities include the following:

- » Complying with laws and regulations that apply to your job;
- » Complying with company policies and procedures, including this *Code of Ethics and Business Conduct*;
- » Acting ethically by applying the four Corporate Objectives in your business relationships; and
- » Bringing any questions or concerns that you may have regarding compliance with laws, company policies or this *Code of Ethics and Business Conduct* to management's attention.

We are all accountable for our own actions and decisions. Any employee who violates these responsibilities may be subject to disciplinary action, up to and including termination.

WHO CAN ANSWER MY QUESTIONS AND CONCERNS?

The first person to go to is your supervisor or manager. If the question involves a higher level of expertise, your supervisor or branch manager can provide you with the names and telephone numbers of your regional office support staff.

Employees may also contact various subject matter experts at the corporate office. See *Part III: Resources Available to Help Our Employees* for additional contact information.

YOUR RESPONSIBILITY TO ASK QUESTIONS AND TO VOICE CONCERNS

The laws that apply to our business are complex and often vary from state to state. Ethics and integrity questions can also be difficult at times. It is impossible for this *Code of Ethics and Business Conduct* or any other policy manual to provide specific guidance for every situation that you may face in the workplace. Eventually, you may find yourself in a situation where the correct action or decision is unclear. There is only one correct course of action in this situation—**ASK BEFORE YOU ACT**. Do not take any action that you are uncertain about or believe may be inappropriate.

If you believe that you have been asked to do something illegal or otherwise inappropriate, you have an obligation to report the situation to management. This also applies in situations where you see other employees taking actions that you believe may violate the law, company policy or this *Code of Ethics and Business Conduct*. Remember that failing to report a suspected violation of a law or regulation is itself a violation of this Code.

STOP AND REFLECT

- » Is it legal?
- » Is it right?
- » Will customers, co-workers, friends and family approve?
- » Will I feel good about my decision tomorrow?

If the answer to all of these questions is “yes,” then you are on the right track.

THE COMPLIANCE HELPLINE

There may be times where an employee is uncomfortable discussing an issue with his or her supervisor or manager, or where the employee has lingering concerns after receiving a response. The Compliance Helpline has been created to assist in these instances.

The Compliance Helpline is administered by an independent company that is experienced in handling sensitive calls. This ensures 24/7 availability in a confidential setting for our employees. Translators are available if you prefer to speak in a language other than English.

Questions or concerns received through the Helpline are relayed to senior management and routed to the appropriate support group to address the issue. The information will be kept confidential. However, limited disclosure may be necessary where required by law or where needed to investigate and adequately respond to the question or concern.

You can also submit concerns anonymously. However, be aware that it is often much more difficult for the company to investigate anonymous reports and to ensure that the concerns are addressed adequately.

It is in the company's best interest to listen and respond to the concerns of our employees. Accordingly, ServiceMaster is committed to the following:

- » We will appropriately investigate allegations of non-compliance with laws, regulations, company policy and this *Code of Ethics and Business Conduct*. Employees, officers and directors must fully cooperate with any such investigation.
- » Our policy prohibits retaliation against anyone who raises a question or concern in good faith. In fact, anyone who retaliates against an employee who has raised a question in good faith may be subject to disciplinary action.

WHAT IF I NEED TO HAVE AN EXCEPTION TO THE CODE MADE ON MY BEHALF?

This *Code of Ethics and Business Conduct* applies to all employees, officers and directors. Our values and principles should not be compromised. Many of the provisions in this Code are also necessary to help us comply with the various laws and regulations that apply to our business.

Because of this, a waiver of any provision of the Code should be rare and granted only under appropriate circumstances. Any request for a waiver must be approved in accordance with the applicable policy or procedure for your business unit.

Furthermore, any waiver granted to a director or executive officer must be approved by the Governance and Nominating Committee of the Board of Directors (or by the Board itself) and requires prompt disclosure to our shareholders.

THE COMPLIANCE HELPLINE

TELEPHONE: 800-937-9888

E-MAIL: ServiceMaster@AlertLine.com

MAIL: ServiceMaster
c/o Global Compliance Services AlertLine Response - PMB 3767
13950 Ballantyne Corporate Place; Suite 300
Charlotte, North Carolina 28277

OUR CUSTOMER RELATIONSHIPS

Our customers should be at the center of all that we do—from every decision we make to every action we take. Providing the best possible service with quality and consistency is the main purpose for our existence as a business. We are expected to continually listen to our customers and respect their opinions and concerns.

DELIVERING QUALITY AND VALUE

We obtain new customers through marketing and the strength of our brand names. We represent our brands each day with every word and every message that we carry to our customers. It is the consistent quality and value of our services that keep our customers coming back. A key way to ensure this is to live up to the commitments outlined in the “Commitment to Quality Assurance.” In addition, it’s important to observe the following:

- » We have special expertise in what we do. We have met the training and certification requirements that are required for our jobs.
- » We ensure that employees meet our standards by following company hiring policies. These policies address job qualifications, background checks, drug testing, and proper residency status.
- » Our businesses and employees are appropriately licensed to provide services to our customers in accordance with state and local laws. We obtain permits and bonds when required to do our jobs.
- » We ensure that any subcontractors meet standards regarding quality, certification and licensure. Subcontractors must also be adequately insured to protect both our company and our customers.

MEETING CUSTOMER COMMITMENTS

We make many commitments to our customers—through our promises, our contracts and, where applicable, our guarantees. Failure to meet these obligations can cause us to lose customers, tarnish our reputation, and lead to legal claims and costs.

We need to fulfill the promises that are made to our customers. If a situation arises where this is not possible, we will resolve the situation appropriately under the circumstances, including refunding any prepayments, or as required by law.

COMMITMENT TO QUALITY ASSURANCE

Our company is committed to doing the right thing, the right way, for each of our customers every day. By understanding the Commitment to Quality Assurance, we can better deliver our company promise and build value for our customers, our company and ourselves.

- » We will not let profit or self-interest stand in the way of quality services.
- » We will do all we can to consistently deliver the superior and reliable service our customers want and deserve.
- » We will make sure customer inquiries and concerns are a top priority. We will view every contact with a customer as an opportunity to create a customer for life.
- » We will provide our customers with excellent value, making sure that every customer recognizes our commitment to satisfy their needs.
- » We will do our jobs right the first time. We recognize that our customers expect top quality service and we will meet that expectation.
- » We will not take shortcuts when servicing our customers. We will complete our services according to company standards and required regulations.
- » We will report any suspicious activity that treats a customer unfairly or violates the company policy, federal or State laws.

WHAT IF WE CAN'T PROVIDE REQUIRED MONTHLY SERVICES TO CERTAIN CUSTOMERS DUE TO ILLNESS, WEATHER OR OTHER ISSUES BEYOND OUR CONTROL?

Remember that some customers have paid for their services in advance. We need to make every effort to provide services within the timeframe required by our contracts or other agreements with our customers. Any missed services need to be rescheduled as soon as possible. If the service cannot be rescheduled, the prepaid amount that applies to the missed service will be credited to the customer.

PROTECTING PEOPLE, PROPERTY AND THE ENVIRONMENT

In providing our services, we may be required to use certain chemicals or products that, if used incorrectly or disposed of improperly, could be hazardous to our customers, our employees, and/or the environment. Proper usage and disposal of these products is regulated by law.

We strive to be a leader in understanding the environmental, health and safety issues of the products and methods we use by staying at the forefront of scientific research and trends in new product development. We believe our products and services are designed to provide maximum benefit with minimal environmental impact through careful use and professional application.

It is important that you follow all applicable requirements regarding the proper use, storage and disposal of these products. Be familiar with the Material Safety Data Sheets that apply to the products that you use. Always follow the product's label requirements. Remember, in many cases, the label is the law.

In some situations, the scope of our work may require the handling or disposal of hazardous materials, wastes or substances. Proper handling, transportation and disposal of hazardous materials is regulated by law. The penalties associated with non-compliance to these laws can be severe, including significant civil and/or criminal penalties. We have developed policies and procedures to ensure compliance with these laws and to help protect the health and safety of our employees and those around us.

Many laws and regulations that are intended to protect the environment apply to our business. For example, federal laws include the following:

- » The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA)
- » The Superfund Amendment and Reauthorization Act (SARA)
- » The Resource Conservation and Recovery Act (RCRA)
- » The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
- » The Clean Water and Clean Air Acts

Other Federal, state and local regulations may also apply. Our policies and procedures are designed to ensure compliance with these regulations. It is important to understand the policies and procedures that apply to your line of work, and follow them carefully. If you have any questions, ask your manager or

supervisor. The company also provides technical experts to support our employees regarding the proper use of our products.

WHAT DO I DO IF POTENTIALLY HAZARDOUS MATERIALS, WASTES OR SUBSTANCES ARE ACCIDENTALLY SPILLED OR DISCHARGED?

The person who discovers the spill should perform the following:

- » Respond to any injuries.
- » Notify their manager.
- » Secure the area.
- » Remain on the scene until a manager or spill response team arrives.

SALES AND MARKETING PRACTICES

Our sales practices must be based on the principles of honesty and integrity. A lack of integrity in our sales practices, marketing and advertising can lead to allegations of deceptive sales practices or consumer fraud. Such activities can also result in lost customers. As a result, we are committed to upholding the following standards in all of our sales and marketing practices:

- » Our marketing and advertising messages must be truthful.
- » Our claims about the quality of service we provide can be substantiated.
- » We follow up on any guarantees or other commitments that we make.
- » Our pricing practices are fair to our customers.

PRIVACY

Our customers trust us with personal information, such as names, addresses, e-mail addresses, telephone numbers and financial data. In many cases, the use and distribution of this personal information is protected by law. There are even some situations where internal communication of customer information between related ServiceMaster companies may be restricted.

It is important that you keep customer information confidential. Do not disclose any customer information unless it is specifically allowed by law or by ServiceMaster policy. If you have any questions, contact your business unit's Legal Department.

ADVERTISING AND SOLICITATION

Our advertising is developed within the framework and strategy of the company's "brand platform," which is administered by the Chief Marketing Officer of ServiceMaster. The ServiceMaster identity usage guidelines have been developed so that our logo and identity is portrayed in a professional manner. Obtaining approval for marketing and advertising materials in accordance with business unit policies and procedures will ensure consistency with our marketing strategy, trademark requirements, and applicable laws.

A number of federal and state regulations impact the methods that we use to solicit new customers or to market to our existing customers. For example, federal, state and local laws may regulate marketing efforts in the following areas:

- » Telemarketing
- » E-mail solicitation
- » Sweepstakes
- » Government contract bidding

These and other laws that affect our marketing efforts are often extensive and complex. The rules may also vary from location to location and the penalties for violation can be severe. Any employee involved in marketing efforts needs to understand and abide by applicable laws.

OUR FELLOW EMPLOYEES

Our employees play a vital role in enabling us to grow and operate our business successfully. It is our goal to treat employees and job applicants with fairness, dignity and respect. We strive to provide our employees with opportunities to grow and an environment that motivates them and enables them to be successful in carrying out their daily responsibilities to the best of their abilities.

EQUAL EMPLOYMENT OPPORTUNITIES

It is our policy to recruit, hire, promote, pay and train based on merit. We do not allow these decisions to be influenced by factors that do not affect job performance, such as sex, race, age, color, religion, marital status, citizenship status, national origin, sexual orientation, physical or mental disabilities, veteran's status, or any other classification protected by applicable law. We believe that diverse ideas, skills and experience complement each other and improve our ability to grow and service our customers better.

WORKPLACE HARASSMENT

Our employees have a right to a workplace that is free from harassment on the basis of sex, race, age, color, religion, marital status, citizenship status, national origin, sexual orientation, physical or mental disabilities, veteran's status, or any other classification protected by applicable law. To ensure this, we are committed to the following:

- » We do not take or condone any action or conduct—whether verbal, visual, written or physical—that could create an intimidating, offensive, abusive or hostile work environment.
- » We do not tolerate sexual harassment. Unwelcome sexual advances, including requests for sexual favors by a supervisor or manager, are absolutely prohibited.
- » We do not allow actions or expressions that are sexually suggestive or create a hostile work environment. Examples of unacceptable behavior include lewd jokes or comments, lewd pictures (including displaying or transmitting lewd images, screen savers and calendars), disparaging remarks and unwelcome physical contact.

Use common sense when you interact with others in the workplace. As a ServiceMaster employee, you need to be sensitive of how your behavior may influence others.

HEALTH AND SAFETY

We are committed to maintaining a safe and healthy environment for our employees, our customers and our communities. Safety is everyone's responsibility. We must use common sense and abide by applicable safety rules and regulations, including company policies and OSHA requirements at all times.

Following are some special areas of concern:

- » **Personal Safety** – It is your responsibility to protect yourself, your fellow employees and our customers from injuries and illnesses by following safe work practices. Personal protective equipment must be worn whenever your work or good safety practices demand it.
- » **Product Safety** – Some of the products that we use in our business can pose a risk to employees or to others if used improperly. Always follow the safety precautions and label requirements when using these products.
- » **Equipment Safety** – Some of our equipment can pose a risk to employees or to others if used improperly or if guards and safety devices are removed. Do not use equipment unless it has been adequately maintained and you have been trained on its proper use.
- » **Vehicle Safety** – ServiceMaster has one of the largest commercial fleets of vehicles in the United States. It is important that we operate these vehicles responsibly, and obey traffic laws and regulations. Our vehicles must be inspected regularly to ensure that they are safe to operate, and our drivers need to be appropriately licensed and qualified. We also need to ensure that driver qualifications, vehicles and maintenance procedures meet the Department of Transportation requirements, where applicable.

WHAT DO I DO IF I AM INJURED ON THE JOB?

Immediately report all injuries, regardless of how minor, to your supervisor.

Also, if you are aware of any unsafe practices or hazardous situations, you should correct them immediately, where possible, and report them to your supervisor.

SUBSTANCE ABUSE

ServiceMaster is committed to a drug-free and alcohol-free workplace. Drugs and alcohol can impair our ability to safely and effectively deliver services to our customers. As such, we are committed to the following:

- » We do not use, sell, purchase, manufacture, distribute or possess illegal drugs when on ServiceMaster property, while operating company equipment or while engaged in company business.
- » We do not report for work or operate ServiceMaster vehicles or equipment while under the influence of alcohol or illegal drugs that could impede our job performance or impair our ability to work or operate vehicles or equipment safely.
- » We do not use or possess alcohol on company property.
- » We will notify our supervisors or managers of any work restrictions related to the use of prescription or over-the-counter medications.

An employee who violates the substance abuse policy may be required to participate in a drug abuse assistance or rehabilitation program. Violation of this policy can also result in disciplinary action, up to and including termination.

HOW DO THE DRUG-FREE WORKPLACE RULES IMPACT OUR EMPLOYEES?

All prospective employees are subject to pre-employment drug testing. ServiceMaster also reserves the right to require current employees to be drug tested, where allowed by law.

Employees are required to notify their supervisor of any arrest, citation or conviction for an alcohol or drug-related incident.

EMPLOYMENT OF RELATIVES

Friends and family members of current employees can be a valuable source for new employees. However, the employment of relatives can cause potential problems, including actual or perceived favoritism, conflicts of interest, family discord and scheduling problems. Policies may vary, depending on the nature and organization of our businesses, so employees are encouraged to review the Employee Handbook or applicable policy for your business unit for guidance.

OUR SHAREHOLDERS

As a public company, ServiceMaster has an obligation to provide accurate and timely information for shareholders to use as they make their investment decisions. Employees need to help protect the value of the company through careful use and protection of company assets, resources and information.

INTERNAL CONTROLS

ServiceMaster's system of internal controls is intended to help the company achieve its objectives in the following areas:

- » **Operations** – Ensure that company resources are used effectively and efficiently.
- » **Financial Reporting** – Ensure that published financial statements and public disclosures are prepared accurately and reliably.
- » **Compliance** – Ensure that we comply with applicable laws and regulations.

Internal controls are designed to prevent, detect and correct problems that may occur in our internal processes. They include our policies and procedures, forms and documentation, employee training and communication, and auditing or monitoring procedures. It is important that employees clearly understand and follow the controls, policies, procedures, and documentation standards that apply to their jobs.

WHAT IF I'M AWARE OF A SITUATION WHERE AN EMPLOYEE IS NOT FOLLOWING OUR NORMAL PROCESSES OR INTERNAL CONTROLS?

If you become aware of a situation where internal controls are not being followed, it is your responsibility to immediately report the situation to management. A breakdown in internal controls over operations, financial reporting, or compliance with laws and regulations could lead to significant costs and possible regulatory action.

SEC REPORTING AND FINANCIAL DISCLOSURES

As a public company, ServiceMaster is required to file certain reports with the Securities and Exchange Commission. These reports must contain full, fair, accurate, timely and understandable disclosures, as required by SEC and federal regulations.

ACCOUNTING AND BUSINESS PRACTICES

Our financial statements and disclosures provide vital information to the investing public. Financial statements must be prepared in accordance with generally accepted accounting principles applied on a consistent basis. Any proposed change in accounting principles or significant accounting assumptions used to prepare the financial statements must be approved by the ServiceMaster Controller before implementation.

Most employees prepare or process some sort of business records that help support the financial statements. These business records include such things as service tickets, timesheets, expense reports and purchase authorizations. The information in our business records must be clear, complete, truthful and accurate. Falsifying business records is a serious offense that may result in criminal prosecution, civil action and/or disciplinary action up to and including termination. These records must be retained in accordance with our document retention policies.

Our business records are reviewed by internal auditors, our external financial auditors, and, at times, outside regulatory agencies. Employees must cooperate fully with any such audit or investigation. No one within ServiceMaster may intentionally mislead or improperly influence the work of such auditors or investigators.

PROTECTING COMPANY ASSETS

ServiceMaster, like any company, has only a limited amount of resources that it can use to meet the commitments to our customers, to pay our employees and to provide a fair return to our shareholders. Every employee must be responsible in using and protecting company assets. This includes the following:

- » **Physical Protection** – We physically secure valuable or potentially hazardous assets so that they may not easily be stolen or misused.

CAN I INSTALL OFFICE SOFTWARE ON MY HOME COMPUTER SO THAT I CAN WORK AT HOME?

The answer depends on the terms and conditions of the software license. Installing a second copy at home may violate this license. If you are unsure about the copyrights for the software in question, contact the Information Technology Department.

- » **Appropriate Use of Assets** – We use company assets—such as vehicles, equipment, computers, telephone services, and products—for company business. We do not use or sell company assets, resources or information for personal gain.
- » **Expenditure Control** – We consider the annual budget, the needs of ServiceMaster, and our authorized spending level according to our Commitment Authority Policy before making expenditure or purchase commitments.
- » **Trademarks and Brand Names** – We ensure that our various trademarks and brand names are used properly. We understand that the actions and decisions of individual employees, acting as representatives of ServiceMaster, can have a significant impact on the reputation and public perception of the entire company.

- » **Intellectual Property** – This includes information and processes that we have developed to improve the efficiency and effectiveness of our services. This information helps to give us a competitive advantage, and includes items such as processes and products, policies and procedures, copyrights, and trademarks.
- » **Personal Information** – This includes information on compensation, background checks, medical histories, performance evaluations and disciplinary actions. Various laws and regulations also require companies to protect certain types of personal information, such as financial and medical histories.

Be trustworthy and responsible in how you use this confidential information. Do not disclose it to anyone outside of ServiceMaster or discuss it with other ServiceMaster employees unless there is a legitimate business reason. Use common sense in keeping sensitive information confidential. Don't leave these types of files lying visibly on your desk, and be careful with any discussions in public places or where others can overhear.

WHAT IS THE POLICY ON PERSONAL USE OF THE INTERNET OR E-MAIL?

Employees may occasionally use company assets, such as Internet access, e-mail or copy machines for personal use. However, you need to use good judgment and common sense. Personal use should only be on a limited basis. There should be no measurable increase in costs or loss of productivity as a result of this usage.

Under no circumstances can company resources be used for illegal or inappropriate purposes. For example, the use of company resources for receipt or transmission of inappropriate material, such as pornography or hate mail, is absolutely prohibited. Remember that information stored on company equipment—including voice mail, e-mail, hard drives, servers and other devices—is company property and subject to company review at any time.

I RECENTLY JOINED SERVICEMASTER. CAN I USE INFORMATION THAT I OBTAINED FROM MY PREVIOUS EMPLOYER TO CREATE NEW BUSINESS OPPORTUNITIES FOR SERVICEMASTER?

This may depend on the type and nature of the information. The obligation to keep proprietary information confidential extends to all companies. At ServiceMaster, we respect the proprietary information, trade secrets, and copyrights of others, even if we could otherwise use it to benefit our company. If you are uncertain, please ask your manager.

The obligation to protect confidential information, whether for ServiceMaster or for another company, continues even after employment ends.

PROTECTING CONFIDENTIAL INFORMATION

Confidential information and intellectual property are also important company assets that must be protected. Examples include the following:

- » **Proprietary Information** – This includes information that is not generally known by the public and is helpful to ServiceMaster, or would be helpful to our competitors. Examples include unpublished financial information, customer lists, pricing strategies, supplier information, business plans and potential acquisitions.

INSIDER TRADING AND “TIPPING”

As part of their job, employees may become aware of information that may be valuable to investors but is not yet available to the general public. This may include knowledge of a pending acquisition or loss of significant contracts or businesses, changes in senior management, interim financial results or forecasts, non-financial performance information, litigation or problems that have not yet been disclosed in a press release or published in an SEC report.

In order to prevent “insiders” from having an unfair advantage in the marketplace, it is illegal to buy or sell the stock or securities of ServiceMaster or any other company based on this type of inside information. It is also illegal to “tip” or to selectively provide this type of information to other people, including relatives, friends, coworkers and business partners. Please remember that insider trading can result in criminal charges against both the individual making the trades as well as the person providing them with the inside information.

Directors and certain key officers may also be prohibited from buying or selling ServiceMaster stock during certain “blackout” periods (typically between the end of a fiscal quarter and one business day after earnings information for that quarter is released).

OUTSIDE REQUESTS FOR INFORMATION

Employees may occasionally receive an unsolicited request for information from people outside of the company, such as shareholders, analysts, or the media. Because there are sensitive legal restrictions regarding the disclosure of information about ServiceMaster, only employees who have been expressly authorized to speak for ServiceMaster may respond to such requests.

If you receive an inquiry, either verbal or written, from an outside party regarding a company matter, refer the questioner to the ServiceMaster Investor Relations Department or to the Corporate Communications Department.

Other requests for information or documentation may come from outside attorneys or regulators as part of a governmental investigation. See “Responding to Governmental Requests and Investigations” on how to best handle these types of requests.

OUR BUSINESS PARTNERS

Like any company, ServiceMaster works with and relies on many outside business partners. Examples of these include franchisees, vendors, sub-contractors, and consultants. It is our responsibility as employees to ensure that the selection of our business partners is based on the relative merit and benefit of the relationship to ServiceMaster, and cannot be tainted by individual self-interest.

CONFLICTS OF INTEREST

Decisions about our relationships with business partners, including suppliers, sub-contractors and consultants, need to be made with the best interests of ServiceMaster in mind. A conflict of interest can occur when a personal relationship can raise questions about the integrity or appropriateness of a business relationship. We must avoid any actual or apparent conflicts of interest.

There are a number of situations that can give the appearance of a conflict of interest, including the following:

- » **Investment in Suppliers, Customers or Competitors** – A conflict can occur when an employee has a material ownership interest in a supplier, customer or competitor. In this case, it may be possible for the employee to impact either side of a transaction (e.g., both the customer’s buying decision and the vendor’s pricing), which could result in an improper benefit to one party or the other.
- » **Outside Employment** – See discussion on next page.
- » **Loans** – To avoid a conflict of interest, you may not enter into a personal loan with a company that does business with or competes with ServiceMaster. This does not apply to loans from a bank or other financial institution in accordance with normal business practices. Similarly, employees may not provide loans to customers or suppliers.

Personal loans from the company to directors or executive officers, or company guarantees of such obligations, are also not allowed. These types of arrangements can result in the appearance that the director or executive officer has received an improper personal gain as a result of his / her position.

These guidelines also apply to the interests and associations of direct family members of our employees, which include spouses, children, parents and siblings.

If you have any question regarding the appropriateness of a proposed or pending transaction or agreement, do not hesitate to contact your supervisor or your business unit's Legal Department for advice.

A MUTUAL FUND THAT I OWN INCLUDES THE STOCK OF A MAJOR SUPPLIER THAT MY DEPARTMENT USES. IS THIS A CONFLICT OF INTEREST?

Probably not. Investments in mutual funds generally do not cause a conflict of interest since they are purchased in the open market and typically spread their investments among many types of public securities. Investors in mutual funds generally do not have any say regarding the specific securities that are included in the mutual fund.

Furthermore, the restriction on investments in suppliers, customers or competitors applies only to material investments. For purposes of our conflict of interest policy, a material investment is defined as being 5% or more of the net worth of the employee.

MY SON HAS BEEN OFFERED A CONSULTING CONTRACT WITH MY COMPANY. IS THIS A CONFLICT OF INTEREST?

It depends on the situation. A conflict of interest occurs when an employee can influence the terms on behalf of either party in a transaction.

If the department that wants to hire your son does not report to you and you have no control over the hiring, firing or pricing of the contract, then there probably is no conflict of interest. On the other hand, if you are in charge of the department making the offer, then the conflict of interest policy would prohibit this arrangement.

OUTSIDE EMPLOYMENT

There may be occasions where an employee has a second job or provides outside consulting or other services. Outside employment is allowed provided that it meets the following criteria:

- » The outside employment cannot interfere with your job responsibilities at ServiceMaster;
- » You cannot be employed by a company that competes with ServiceMaster. Similarly you cannot moonlight or provide services that compete with any ServiceMaster company;
- » You cannot be employed by a company that provides goods or services to ServiceMaster; and
- » You cannot use ServiceMaster products or equipment as part of your outside employment.

GIFTS, MEALS AND ENTERTAINMENT

Modest gifts, meals or entertainment are sometimes used to develop business relationships. However, these items can sometimes create an inappropriate sense of obligation. They may also appear to be an attempt to improperly influence an individual's judgment or actions.

You need to avoid situations that could create this type of conflict of interest. Review the Employee Handbook or applicable policy for your business unit so that you are familiar with the rules regarding gifts and entertainment. You will need to follow these policies if you are offered a gift or entertainment by a vendor, customer or other business partner.

Use good judgment and common sense in these situations. If you have questions regarding a particular situation, discuss it with your manager or supervisor.

ARE THERE ANY SPECIAL RULES RELATED TO ENTERTAINING EMPLOYEES OF GOVERNMENT AGENCIES THAT WE DO BUSINESS WITH?

Yes. For example, the laws that affect our business relationships with government agencies are very restrictive regarding gifts or entertainment. See "Our Governmental Relationships" for discussion of these rules.

I KNOW I CAN'T ACCEPT EXPENSIVE GIFTS, BUT CAN I OFFER ONE TO HELP SERVICEMASTER OBTAIN OR KEEP A LARGE, VALUED CUSTOMER?

No. It is important that we deal fairly with all customers, vendors and other business partners. We want to win our customer's business based on the quality of our services and the fairness of our terms. Our policies regarding extravagant or lavish gifts, meals or entertainment prohibit us from offering them as well as accepting them.

FAVORS, BRIBES OR KICKBACKS

Favors, bribes or kickbacks are absolutely prohibited since, by their nature, they are inappropriate attempts to unfairly influence the judgment or actions of our business partners. If any official—public or private—demands a gift, gratuity or kickback, you must report it to the Legal Department of your business unit.

OUR GOVERNMENTAL RELATIONSHIPS

As a company, we interact in many ways with the government. We serve governmental agencies as customers. We pay taxes. We follow the various laws and regulations that are developed and enforced by governmental agencies and regulatory bodies. In doing so, it is important that we act with honesty and transparency in our dealings with governmental agencies.

Other special rules and regulations apply. These rules may vary from location to location and can be quite complex. Any violation of these rules, no matter how unintentional or well-meaning, can result in serious consequences to you, the government official, and ServiceMaster. If you are involved in servicing a governmental customer, be sure that you understand the applicable rules and regulations and follow them carefully. Contact your supervisor or business unit Legal Department if you have any questions.

THE GOVERNMENT AS A CUSTOMER

Governmental agencies have a special obligation to choose their vendors objectively and fairly since the services are paid for with taxpayers' money. For this reason, there are many laws and regulations that we must follow when doing business with the government. Special issues to consider when doing business with the government include the following:

- » Gifts, meals and entertainment are almost always prohibited, no matter how small or well-intentioned.
- » There may be restrictions on the hiring of government employees with whom we do business. It could appear that we obtained the business contingent on the hiring of the government employee.
- » Bribes and kickbacks are illegal and, of course, always prohibited.
- » Under the drug-free workplace laws, ServiceMaster may be required to report to governmental customers an employee's criminal conviction of a drug statute violation.

CAN I PICK UP THE TAB FOR LUNCH WITH A GOVERNMENT EMPLOYEE THAT I DO, OR INTEND TO DO, BUSINESS WITH?

No. The government procurement laws are very strict and often expressly prohibit the giving or receiving of any form of gift or entertainment. Even if the total cost is nominal (e.g., less than \$20 for both of you), you could violate applicable laws by paying for the government employee's lunch. Instead, you must ask for separate tabs.

Do not offer a gift, meal or entertainment to a federal, state or local government employee without first obtaining specific authorization by the Legal Department.

RESPONDING TO GOVERNMENTAL REQUESTS AND INVESTIGATIONS

We may be requested to provide information or documentation to an outside attorney or regulator as part of a governmental investigation. It is important that we fully cooperate with any external investigation made by a governmental unit. However, we also need to ensure that the company's rights are appropriately protected in these situations. If you are contacted directly regarding an external investigation, contact the Legal Department for your business unit *before* responding to such a request.

Keep the following in mind when providing information in response to a governmental request or investigation:

- » The information provided in response to a governmental request must be factually correct and not misleading.
- » Documentation relating to actual, pending or threatened litigation or investigations must not be altered or destroyed.

LOBBYING ACTIVITIES

On occasion, ServiceMaster may contact federal or state legislators or administrators to discuss matters of interest or concern to ServiceMaster. While such contact is allowed, lobbying activities are highly regulated by law. Anyone who is asked to engage in lobbying activities must have an understanding of these laws or seek advice beforehand from the ServiceMaster Office of Government Affairs.

It is against this *Code of Ethics and Business Conduct* to suggest or imply that a political contribution made in the past or the future provides a reason for action by the legislator or administrator.

POLITICAL CONTRIBUTIONS - EMPLOYEES

Our employees, officers and directors are encouraged to contribute to their community by participating in federal or local political processes. However, keep in mind the following if you are involved in personal civil and political affairs:

- » Make it clear that your views and actions are your own and not those of ServiceMaster;
- » Do not use company time, property or resources for personal political activities; and
- » Don't make political contributions in the name of ServiceMaster or in such a way that implies that ServiceMaster is the contributor.

POLITICAL CONTRIBUTIONS - SERVICEMASTER

As a corporation, ServiceMaster is prohibited from making contributions to candidates in federal elections. The same rule may or may not be applicable in state or local elections. ServiceMaster has a political action committee—the ServiceMaster PAC—that can make contributions in federal elections within limits allowed by law. Employees may make contributions to the PAC. However, no employee will be subject to criticism or discipline for choosing not to contribute to the PAC.

Employees who believe a contribution would be useful to ServiceMaster should contact the ServiceMaster Office of Government Affairs with his or her recommendation.

OUR COMMUNITIES

ServiceMaster supports our communities by sponsoring and contributing to various charitable organizations and events. This is illustrated by contributions made by The ServiceMaster Company, The ServiceMaster Foundation and ServiceMaster employees to numerous charitable and socially responsible organizations.

REQUESTS FOR VOLUNTARY SUPPORT

ServiceMaster encourages employees to be active in their communities and may offer employees the opportunity to help sponsor charitable programs that ServiceMaster supports. Any resulting donations or other support must be strictly voluntary. No one will place undue influence on our employees or our suppliers to contribute to charitable organizations. Furthermore, no employee or supplier shall be subject to any criticism or discipline for their decision not to support a company-sponsored program.

OUR COMPETITORS

We compete based on the value of our services, the strength of our commitments, the prices that we charge, and on the customer loyalty that we have earned. In order to maintain our market position, it is important to understand ServiceMaster's expectations when dealing with competitors and competitive information.

It is important to understand that these laws are not limited to formal, written agreements. Even the appearance of an informal agreement with a competitor can result in severe consequences.

These laws are complex and cover a wide range of conduct. Contact your business unit's Legal Department if you have any questions about a particular situation or how these laws may apply to you.

ANTITRUST

Antitrust laws prohibit companies from taking actions that tend to decrease competition, create unjustified discriminations in pricing, or create other artificial effects on the market. The focus of these laws is not limited to top-level actions by executive officers and directors. They also apply to the actions of individual managers and employees that deal with our competition and customers on a day-to-day basis. Our employees must live up to the following commitments:

- » We do not enter into any formal or informal agreements with competitors which fix prices or allocate production, sales territories, products, customers or suppliers.
- » We do not exchange information with competitors regarding pricing, markets, production or customers without consulting with the Legal Department.
- » We do not enter into any formal or informal agreements with customers that condition the sale of a particular item on an agreement to purchase another item. Similarly, we do not make sales or purchases conditioned upon reciprocal purchases.
- » We do not disparage the services of our competitors to potential customers. Instead, we promote our own products and services in a positive, honest and truthful manner.

OBTAINING COMPETITIVE INFORMATION

Competitive information can help us to understand and manage our markets and services so that we can best meet our customers' needs. However, we must obtain information about our competitors in an open, credible, and legal manner. As a result:

- » We do not steal proprietary information or induce past or present employees of a competitor to divulge confidential information.
- » We respect the confidentiality of our competitors' and suppliers' information.
- » We do not use any competitive information that is, or should be, marked as "proprietary" or "confidential" unless it is publicly available or we have received written permission to use the information.

EMPLOYEE RESOURCE GUIDE

ServiceMaster provides a number of resources for further guidance to employees regarding compliance questions or concerns. When in doubt, please contact the Compliance Helpline at 800-937-9888.

1. USE THE CHAIN OF COMMAND

Your first source for guidance regarding compliance issues should be your immediate manager or supervisor. If this would not be appropriate under the circumstances, you should follow up with that individual's immediate supervisor.

2. REFER TO WRITTEN POLICIES

Many of your questions may be addressed in the collection of written policies and guidelines that are available to employees. Following are some examples of these written resources:

- » *ServiceMaster Code of Ethics and Business Conduct*
- » The Financial Code of Ethics
- » ServiceMaster or other business unit Employee Handbooks
- » ServiceMaster Policies and Procedures Manuals, including:
 - The Commitment Authority Policy
 - Human Resources Policies and Procedures Manual
 - Department of Transportation Standard Operating Procedures
 - ServiceMaster Environmental Stewardship Principles

3. CORPORATE SUPPORT DEPARTMENTS

There may be instances where an employee feels that a concern has not been adequately addressed by the resources listed above. For example, some issues may be too specific or complex to be resolved without specialized expertise. The resources listed on the following pages are available to provide the necessary expertise to address specific complex or sensitive issues.

4. THE COMPLIANCE HELPLINE

There may be instances where an employee has raised a compliance concern in good faith and feels that the normal channels of support are not available or that an adequate response has not been obtained. The Compliance Helpline provides an independent resource that is available in these situations, and can be reached at the following:

TELEPHONE: 800-937-9888

E-MAIL: ServiceMaster@AlertLine.com

MAIL: ServiceMaster - c/o Global Compliance Services AlertLine Response - PMB 3767
13950 Ballantyne Corporate Place; Suite 300
Charlotte, North Carolina 28277

TELEPHONE NUMBERS

Customer Support Services

ServiceMaster Customer
Communication Center
800-937-3783
901-266-7777

TruGreen LawnCare or LandCare
800-878-4733

Terminix
800-TERMINIX (837-6464)
901-684-7646

American Home Shield
866-305-0259 x 2187 or x2156
800-776-4663

ServiceMaster Clean
901-597-7566

The Legal Department

The ServiceMaster Company
630-663-2022

TruGreen LawnCare and
TruGreen LandCare
901-597-1098

Terminix
901-766-1235

American Home Shield
901-537-8017 / 712-792-7133

AmeriSpec
901-415-7040

ServiceMaster Clean and Furniture Medic
901-597-7086

Merry Maids
901-597-8511

InStar Services Group
901-597-7079

The Payroll and Benefits Department

Payroll Department
901-537-1760

Benefits Department
901-537-1777

The Department of Human Resources

The ServiceMaster Company
901-597-7822
901-820-8305

TruGreen LawnCare, TruGreen LandCare
and Terminix
901-597-5922
901-820-8308

American Home Shield
901-537-8084

ServiceMaster Clean, Furniture Medic
and AmeriSpec
800-633-5703 x7518

Merry Maids
901-597-5988

InStar Services Group
817-299-5604

Other Resources

Corporate Communications Department
630-663-2151

Corporate Compliance Department
630-663-2545

Employment Resources Department
901-597-7860

Environmental Stewardship Department
630-663-2525 / 901-597-1114

Health and Safety Department
901-681-1989 / 901-820-8245

Internal Audit Department
630-663-2530

Investor Relations Department
901-597-8847

Purchasing Department
901-766-1269

Risk Management Department
901-597-1155

Treasury Department
630-663-2361

Compliance Helpline
800-937-9888

MAILING ADDRESSES

ServiceMaster Corporate – Memphis
TruGreen LawnCare
TruGreen LandCare
Terminix

860 Ridge Lake Boulevard
Memphis, TN 38120

The ServiceMaster Company
Business Support Center
901-766-1400

TruGreen LawnCare and
TruGreen LandCare
901-681-1800

Terminix
901-766-1100

American Home Shield
AmeriSpec
Risk Management Operations Department
Fleet Department

889 Ridge Lake Boulevard
Memphis, TN 38120

American Home Shield
901-537-8000

AmeriSpec
901-820-8500

ServiceMaster Clean
Merry Maids
Furniture Medic
ServiceMaster Training Center

3839 Forest Hill-Irene
Memphis, TN 38125

ServiceMaster Clean
901-597-7500

Merry Maids
901-597-8100

Furniture Medic
901-597-8600

InStar Services Group

7439 Pebble Drive
Fort Worth, TX 76118

InStar Services Group
866-467-8275

Payroll Department
Benefits Department

855 Ridge Lake Boulevard
Memphis, TN 38120

Payroll Department
901-537-1760

Benefits Department
901-537-1777

ServiceMASTER[®]

corporate.servicemaster.com

www.servicemaster.com

THE COMPLIANCE HELPLINE

800-937-9888

ServiceMaster@AlertLine.com

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